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INTELLIGENCE REPORT

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INFO. [REDACTED]

SUBJECT Political Information: Recent Arrests of Communists in Shanghai and Their Effect on Communist Activities

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SUPPLEMENT

ORIGIN [REDACTED]

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1. The arrest of Communists in Shanghai in March was planned to be on the same scale and follow the same pattern as the one in Peiping, but when CHIANG Kai-shek saw the reaction to the mass arrests in Peiping he sent word to Shanghai at the last minute that the plans were not to be carried out. Instead, only a few arrests of unimportant persons were to be made for the purpose of terrorizing the remaining Communists into inaction. [REDACTED] Note: In 25X1A6a February 1947 the police and gendarmerie forces in Peiping conducted a house search--a "census-taking project"--which is believed to have been for the purpose of accomplishing the purge of liberal elements, including the arrest of minor Democratic League officials in Peiping. The Peiping authorities reported that they detained 1,165 persons during the census for failing to register with the police and 175 persons for not having identification cards, but that these were released within 24 hours. An additional 114 were arrested for the use or trafficking of narcotics but were turned over to the courts. Seven people admitted to being Communists and were proven to have taken part in various types of subversive activities. Nevertheless, the purpose of the census-taking has been widely criticized. Similar census-taking projects were carried out in Tsingtao with rumors of 8,000 persons having been detained, and further census projects are reportedly to be undertaken in other cities of China. One of the issues involved in these projects is the strengthening of the pa-chia system with its emphasis on collective responsibility -- a system which, although based on Chinese social custom, was one of the strongest tools utilized by the Japanese during the Japanese occupation of China and one of the points in which the Communists criticize the Kuomintang most severely. In a previous report from an official of the Shanghai-Hoosung Garrison it was stated that the roundup of Communists in Shanghai would be well-planned and systematically carried out because the Generalissimo said he did not want any muddling as occurred in the Peiping purge, i.e., that most of the prominent liberals wanted were able to get away. According to the official, the Shanghai government authorities had a list of 3,000 Communists in the area. CH'EN Li-fu stated on 28 February that the Communists in the major cities of China were no threat to the Kuomintang because they (PCC Clique Party Police) had such complete files of the Communists.)

2. Originally the list of persons to be arrested included top Communists and liberals, including even such persons as LO Lung-chi. [REDACTED] Note: According to a 25X1A6a Whamoa Clique official of the Second Department, Ministry of National Defense, the "blacklist" was complete and the purging based on this list was to be systematic, arresting the well-known and important liberals first and then on down the list to the minor and lesser-known individuals.) When the word was received

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a meeting was called to revise the original plans. Attending the meeting were Mayor WU, representatives from the Woosung Garrison, and FANG Chih (方治), Chairman of the Shanghai District Kuomintang Headquarters. "TAI Li" agents in the Woosung Garrison wanted to carry out the plans used in other cities, but after much argument new plans were made because of the message from Nanking.

Note: One source claims that the entire purge is the work of the Kuomintang Party Police and that the Second Department, Ministry of National Defense Shanghai Clique leaders were against it for political reasons--factional jealousy between the two secret police units. However, in an anti-Communist campaign both units would probably be driven together.)

3. Much of the poor handling of the arrests can be attributed to this sudden change of plans and the consequent refusal of the Woosung Garrison to cooperate. There were cases of mistaken identity as well as escape of those on the "blacklist." Another reason for mishandling of the arrests is that the CC Clique Party Police had complete dossiers on the leading leftists and Communists in Shanghai but did not have much information on the minor leftist workers and party members.

4. Of the eighty arrested, very few were actually Communists. A large number of the group were merchants who had been doing business with the Communists. These have all been released after paying large sums of "squeeze." Note: At present the Democratic League is being violently attacked by the Kuomintang press; some of the persons arrested could have been members of the League. According to one source some of those arrested were Communists or Communist sympathizers.)

5. Some of those on the second list for arrest escaped. For example, an attempt was made to arrest a leader of Communist students at St. John's University. As the girl was being forced into a car, she screamed and slipped out of the hands of the men who were arresting her. She then rushed into a group of workmen who were in the street. The men in the car, evidently fearing to tackle the crowd, got back into the car and drove away. The student subsequently escaped from Shanghai.

Note: The liberal-leftist press made capital of one case in Paiping in which a young mother was torn away from her family in the dead of night, leaving her suckling baby without care, etc.)

6. The release of CHANG Lien-hua, teacher in the Workers Night School at the Shanghai Y.M.C.A., after a seventeen-day mistaken-identity detention in Soochow can also be attributed to the conflict between the CC Clique Party Police and the "TAI Li" Police of the Woosung Garrison. A fellow-worker who was a "TAI Li" agent obtained her release but insisted that she and her friends must become agents. Note: It is believed that source uses the term "TAI Li" agents or police as an alternate term for the agents and police of the Second Department of the Ministry of National Defense which is made up almost completely of former personnel of the Bureau of Investigation and Statistics which was headed by the late TAI Li. This bureau is now headed by General CHENG Chieh-min, a former "TAI Li" man, and belongs to the Shanghai Military Clique of the Kuomintang as opposed to the Kuomintang Party Central Executive Committee's Secret Police which are controlled by the CC Clique. In the recent Government reorganization, the Second Department has been officially and publically dissolved - in name at least. There has been no official announcement regarding General CHENG and his present title is unknown. A pre-requisite for release from "TAI Li's" arrests has always been consent of the arrested to become a "TAI Li" agent.) Miss CHANG and her friends refused to become "TAI Li" agents and threatened to tell what had happened. There are two explanations of why Miss CHANG wrote the audacious article describing her arrest and detainment. One explanation is that she and her friends became angry at the insistence of the "TAI Li" agents that she and her friends, who were not at all involved in the case, become agents and decided to expose the organization. The other explanation, which source thinks is more likely, is that the "TAI Li" secret police leaders decided to disclaim all responsibility for the Shanghai arrests and make the Party Police arrests seem poorly executed. Note: The Woosung Garrison has publicly

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disclaimed all responsibility for the arrests and has even gone so far as to make each policeman responsible for arrests in his district. Mayor WU also denied knowledge of the arrests when he returned from Nanking after the first arrests were made public.) CHANG was promised protection by the "TAI LI" Police if she would write the article for publication in the Chinese press and in the China Weekly Review. Later, "TAI LI" agents helped her escape to Hongkong. [REDACTED] Note: Chinese press reports state Miss CHANG is in Hongkong on an "extended visit.") FANG Chih became so angry over the incident that he made a trip to Nanking to object to the embarrassment caused by conforming to the order from Nanking and to report the lack of cooperation of the Woosung Garrison. [REDACTED] Note: As Chairman of the Shanghai District Kuomintang headquarters, FANG Chih, a CC Clique man, would have control over the Party Police in Shanghai. The Shanghai Newsletter made a special copy of CHANG's letter and gave it the same distribution as the newsletter. The Kuomintang press is currently carrying on a propaganda campaign generally urging the population to report undercover or suspicious activity.)

7. The musician, CHUANG Feng, who was under confinement at the same time as Miss CHANG is definitely not a Communist Party member. He had been spotted by the Party Police when he led the singing in a meeting held for the purpose of discouraging the buying of American goods. [REDACTED] Note: The press had reported that he was arrested because his name meant "red maple leaf." A song discouraging the purchase of American goods written by CHUANG Feng was printed in the 5 April issue of the magazine Ren Tsui (Literary Collection, a leftist publication.)

8. A China Branch of the International League for the Protection of Human Rights was formed in Shanghai and some of the families of the missing persons, as well as other interested persons, have joined; but many relatives have expressed to the League their unwillingness to join for fear of retaliation on the persons arrested.

9. The arrests are continuing but are being kept very quiet. Even the Communists do not discuss the arrests with each other because they are afraid of revealing which are party members. [REDACTED] Note: On the other hand the Democratic League's Ren Hui Pao has been conducting a propaganda campaign against the arrests.) The Communists believe that the Kuomintang Party Police would torture members to reveal the names of other Communists.

10. For the same reasons there is now no overall, organized underground. Instead, the Communists are now operating in a very small way with units which do not even keep in touch with other units in Shanghai. Their present plan is for individual Communists to operate quietly, winning more members to the party and becoming recognized, respectable citizens in Shanghai. Then, when the Communists come into power or gain legal recognition as a party, people will recognize Communist party members simply as better-than-average citizens, and the party will thereby win more confidence and following in the communities in which members have been living. [REDACTED] Note: At one time there was a general report that Communists were migrating en masse to North Kiangsu, and purges have been reported there also, together with large-scale plans for such purges.)

11. Although the Communists plan to continue to support labor, labor trouble in Shanghai now is not entirely Communist-inspired. [REDACTED] Note: Independent, liberal Chinese sources state that (1) CC Clique member, AU Cheng-kang, Minister of Social Affairs, has been bending every effort in the past two months to organize labor in the Shanghai area, and that (2) recent labor trouble has been CC Clique-inspired as another factor in the Clique's efforts to embarrass and cause difficulties for the Political Science Clique members who hold responsible positions in the reorganized government.) For instance, a recent strike in a small factory was investigated by the Communists to see if there was any Communist instigation behind the strike. It was discovered that the labor union which had started the strike was a tightly-closed union organized by the Labor Committee of the Shanghai Bureau of the Ministry of Social Affairs under the Municipal Council.

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12. The arrests and recent rigid control have limited Communist activities among Shanghai college students. The following incident illustrates the control which the police (Wooosung Garrison police) have over the student activities in Shanghai. Recently a non-political, religious organization in St. John's University obtained permission from the police to put on a drive in the city (for funds). The night before the drive, the leaders of the organization were visited by police and told to call off the drive since the Communists might use it as a vehicle for a demonstration. Because it was too late to get word to the students, most of them were at their stations the next morning, and between thirty and forty were arrested. The May 4th demonstrations were unenthusiastic for the same reasons. Students were afraid to be in a demonstration of any sort. In addition, the real Communists among the students in Shanghai have escaped either to Communist-occupied areas in the North or to Hongkong. (Note: Concerning the control of students in the Shanghai area, liberal Chinese sources state that a final anti-Soviet student demonstration was arranged by the Kuomintang for ten or eleven days after Molotov's attempt to have China placed on the agenda of the Foreign Ministers Conference, and that the night before the demonstration was to take place, the Generalissimo said to call it off and the demonstration was called off. Anti-Soviet demonstrations had taken place prior to this in Shanghai and other major cities of China and it is generally agreed that these were planned and instigated by the Kuomintang. The demonstration and trip to Nanking (which involved commandeering of the train) of Chiao Tung University students demanding that the university be placed under the Ministry of Communications in order that the university will have more funds is reportedly inspired by the CC Clique in order to discredit and embarrass CHU Chia-hua, Minister of Education.)

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